

MEMORANDUM

To: Panel Members Date: 02/22/2021

cc: Reg Javier, Executive Director

Peter Cooper, Assistant Director

From: Michael A. Cable, Legal Counsel

Subject: Pertinent Legislation; California Legislature; 2021-2022 Regular Session

Table of Contents:

l.	Assembly Bills
	Senate Bills
III.	Budget Bills
IV.	Cannabis-Related Bills/Initiatives/Propositions
V.	Initiatives/Propositions

I. ASSEMBLY BILLS

AB-2 Regulations: legislative review: regulatory reform.

<u>Summary</u>: This bill would require the Office of Administrative Law to submit to each house of the Legislature for review a copy of each major regulation that it submits to the Secretary of State. The bill would add another exception to those currently provided that specifies that a regulation does not become effective if the Legislature enacts a statute to override the regulation. Additionally, this bill would require each state agency to, on or before January 1, 2023, review that agency's regulations, identify any regulations that are duplicative, overlapping, inconsistent, or out of date, to revise those identified regulations, as provided, and report to the Legislature and Governor, as specified. The bill would repeal these provisions on January 1, 2024.

<u>Status</u>: Introduced; Assembly; on 12/07/2020. Read first time. To Print. May be heard in Fiscal Committee on 01/07/2021.

AB-25 Worker classification: employees and independent contractors.

<u>Summary</u>: Existing law requires a 3-part test, commonly known as the "ABC" test, to determine if workers are employees or independent contractors for purposes of the Labor Code, the Unemployment Insurance Code, and the wage orders of the Industrial Welfare Commission. Under the ABC test, a person providing labor or services for remuneration is considered an employee rather than an independent contractor unless the hiring entity demonstrates that the person is free from the control and direction of the hiring entity in

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 2 of 22

connection with the performance of the work, the person performs work that is outside the usual course of the hiring entity's business, and the person is customarily engaged in an independently established trade, occupation, or business. Existing law charges the Labor Commissioner with the enforcement of labor laws, including worker classification. Existing law exempts specified occupations and business relationships from the application of the ABC test described above. Existing law, instead, provides that these exempt relationships are governed by the multifactor test previously adopted in the case of S. G. Borello & Sons, Inc. v. Department of Industrial Relations (1989) 48 Cal.3d 341 (Borello). This bill would generally repeal provisions relating to the "ABC" test for various specified occupations and business relationships. The bill would, instead, require the determination of whether a person is an employee or an independent contractor to be based on the specific multifactor test set forth in Borello, including whether the person to whom service is rendered has the right to control the manner and means of accomplishing the result desired, and other identified factors.

<u>Status</u>: Introduced; Assembly; on 12/07/2020. Read first time. To Print. May be heard in Fiscal Committee on 01/07/2021.

AB-29 State bodies: meetings.

Summary: Existing law, the Bagley-Keene Open Meeting Act, requires that all meetings of a state body, as defined, be open and public, and that all persons be permitted to attend any meeting of a state body, except as otherwise provided in that act. Existing law requires the state body to provide notice of its meeting, including specified information and a specific agenda of the meeting, as provided, to any person who requests that notice in writing and to make that notice available on the internet at least 10 days in advance of the meeting. This bill would require that notice to include all writings or materials provided for the noticed meeting to a member of the state body by the staff of a state agency, board, or commission, or another member of the state body that are in connection with a matter subject to discussion or consideration at the meeting. The bill would require those writings or materials to be made available on the state body's internet website, and to any person who requests the writings or materials in writing, on the same day as the dissemination of the writings and materials to members of the state body or at least 72 hours in advance of the meeting, whichever is earlier. The bill would prohibit a state body from discussing those writings or materials, or from taking action on an item to which those writings or materials pertain, at a meeting of the state body unless the state body has complied with these provisions.

<u>Status</u>: Introduced; Assembly; on 12/07/2020. Read first time. To Print. May be heard in Fiscal Committee on 01/07/2021.

AB-55 Employment: telecommuting.

<u>Summary</u>: Existing law promotes and develops the welfare of workers in California to improve working conditions and advance opportunities for profitable employment. Existing law regulates the wages, hours, and working conditions of any worker employed in any occupation, trade, or industry. This bill would declare the intent of the Legislature

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 3 of 22

to enact future legislation to ensure certain rights and benefits for telecommuting employees.

<u>Status</u>: Introduced; Assembly; on 12/07/2020. Read first time. To Print. May be heard in committee on 01/07/2021.

• AB-65 California Universal Basic Income Program.

<u>Summary</u>: Existing law establishes the State Department of Social Services and requires the department to administer various public social services programs, including the California Work Opportunity and Responsibility to Kids (CalWORKs) program, under which each county provides cash assistance and other benefits to qualified low-income families and individuals, and the CalFresh program, under which supplemental nutrition assistance benefits allocated to the state by the federal government are distributed to eligible individuals by each county. This bill would declare the intent of the Legislature to enact legislation to create a California Universal Basic Income Program, with the intention of ensuring economic security for all Californians.

<u>Status</u>: Introduced; Assembly; on 12/07/2020. Read first time. To Print. May be heard in committee on 01/07/2021.

• <u>AB-99 Statewide longitudinal data system: California Cradle-to-Career Data</u> System.

<u>Summary</u>: This bill would express the intent of the Legislature to enact subsequent legislation that would codify recommendations in the California Cradle-to-Career Data System Legislative Report published in December 2020.

<u>Status</u>: Introduced; Assembly; on 12/07/2020. Read first time. To Print. May be heard in committee on 01/07/2021. On 02/12/2021, From committee chair, with author's amendments: Amend, and re-refer to Com. on ED. Read second time and amended. Referred to Coms. on ED. and HIGHER ED. On 02/16/2021, Re-referred to Com. on ED.

• <u>AB-105 The Upward Mobility Act of 2021: civil service: examinations:</u> classifications.

<u>Summary</u>: This bill presents a series of changes to civil service personnel requirements.

<u>Status</u>: Introduced; Assembly; on 12/14/2020. Read first time. To Print. On 01/11/2021, referred to Committee on Public Employment & Retirement.

AB-106 Regions Rise Grant Program.

<u>Summary</u>: Legislative intent to establish the Regions Rise Grant Program in order to close the equity gap and spur economic growth.

<u>Status</u>: Introduced; Assembly; on 12/16/2020. Read first time. To Print. May be heard in committee on 01/16/2021.

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 4 of 22

AB-108 Governor's emergency orders and regulations: approval by the Legislature.
 Summary: Mandating approval by the Legislature as to Governor's emergency orders and regulations.

<u>Status</u>: Introduced; Assembly; on 12/16/2020. Read first time. To Print. May be heard in Assembly Emergency Management Committee on 01/16/2021.

• AB-123 Paid family leave: weekly benefit amount.

<u>Summary</u>: This bill would revise the formula for determining benefits available pursuant to the family temporary disability insurance program, for periods of disability commencing after January 1, 2022, by redefining the weekly benefit amount to be equal to 90% of the wages paid to an individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest, divided by 13, but not exceeding the maximum workers' compensation temporary disability indemnity weekly benefit amount established by the Department of Industrial Relations.

<u>Status</u>: Introduced; Assembly; on 12/18/2020. Read first time. To Print. May be heard in Assembly Insurance Committee on 01/18/2021.

AB-218 Change of gender and sex identifier.

<u>Summary</u>: This bill would make substantive changes to specify how to change gender and sex identifier in particular records such as birth certificates.

<u>Status</u>: Introduced; Assembly; on 01/11/2021. Read first time. To Print. May be heard in committee on 02/11/2021. On 01/28/2021, Referred to Committee on JUD and HEALTH.

AB-230 Employment: flexible work schedules.

<u>Summary</u>: This bill would enact the Workplace Flexibility Act of 2021. The bill would permit an individual nonexempt employee to request an employee-selected flexible work schedule providing for workdays up to 10 hours per day within a 40-hour workweek, and would allow an employer to implement this schedule without the obligation to pay overtime compensation for those additional hours in a workday, except as specified. The bill would require that the flexible work schedule contain specified information and the employer's and the employee's original signature. The bill would also require the Division of Labor Standards Enforcement in the Department of Industrial Relations to enforce this provision and adopt regulations.

<u>Status</u>: Introduced; Assembly; on 01/12/2021. Read first time. To Print. May be heard in committee on 02/12/2021. On 01/28/2021, Referred to Committee on Labor and Employment.

• AB-237 Public employment: unfair practices: health protection.

<u>Summary</u>: This bill, the Public Employee Health Protection Act, would among other things make it an unfair practice for a covered employer to fail or refuse to maintain or pay for continued health care or other medical coverage for an enrolled employee or their

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 5 of 22

enrolled dependents, for the duration of the enrolled employee's participation in the authorized strike, at the level and under the conditions that coverage would have been provided if the employee had continued to work in their position for the duration of the strike.

<u>Status</u>: Introduced; Assembly; on 01/13/2021. Read first time. To Print. On 01/28/2021, Referred to Committee on P.E. and R.

• AB-247 Definitions: Small Business Procurement and Contract Act.

<u>Summary</u>: Declare the intent of the Legislature would be to update the definition of "small business" under California law to coincide with the federal definition. Under existing law, the Small Business Procurement and Contract Act, defines "small business" to mean an independently owned and operated business of a specified size, that, among other things, has average gross receipts of \$15,000,000 over the previous 3 years. Existing federal law defines "small business" to depend upon, among other things, the industry, gross receipts, and number of employees of the business.

Status: Introduced; Assembly; on 01/13/2021. Read first time. To Print.

AB-257 Fast food industry: working standards.

<u>Summary</u>: This bill would enact the FAST Recovery Act. The bill would make a statement of findings regarding the fast food industry, particularly with respect to the COVID-19 pandemic, and state the intent of the Legislature to enact legislation relating to the fast food industry.

Status: On 01/16/2021, From printer. May be heard in committee February 15.

AB-286 Food delivery platforms.

<u>Summary</u>: This bill would state the intent of the Legislature to enact legislation that would relate to third-party food delivery company fees and commissions.

Status: On 01/21/2021, Read first time. To Print.

• AB-297 Fire prevention.

<u>Summary</u>: This bill, among other things, would continuously appropriate \$480,000,000 and \$20,000,000 to the Department of Forestry and Fire Prevention and the California Conservation Corps, respectively, for fire prevention activities, as provided.

<u>Status</u>: On 01/25/2021, Read first time. To Print. On 01/26/2021, From printer. May be heard in committee February 25. On 02/12/2021, Referred to Coms. on NAT. RES. And REV. and TAX.

• AB-299 Career technical education: Apprenticeship Grant Program.

<u>Summary</u>: This bill would establish the Apprenticeship Grant Program, commencing with the 2022–23 academic year, under the administration of the Student Aid Commission, to

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 6 of 22

provide grants to encourage community college students to go into career technical education and vocational programs through participation in apprenticeships. Under the bill, the commission would provide supplemental grants to students who qualify for the Federal Pell Grant or for state financial aid and who participate in approved apprenticeship programs through campuses of the California Community Colleges. The bill would prohibit these grants from exceeding a student's actual cost of attending a participating community college.

<u>Status</u>: On 01/25/2021, Read first time. To Print. On 01/26/2021, From printer. May be heard in committee February 25. On 02/12/2021, Referred to Com. on HIGHER ED.

AB-305 Veteran services: notice.

<u>Summary</u>: This bill concerns existing law requires every state agency that requests on any written form or written publication, or through its internet website, whether a person is a veteran, to request that information in a specified manner.

<u>Status</u>: On 01/25/2021, Read first time. To print. On 01/26/2021, From printer. May be heard in committee February 25. On 02/12/2021, Referred to Com. on M and V.A.

• AB-316 State employees: pay equity: under-represented groups.

<u>Summary</u>: This bill would state the intent of the Legislature to enact legislation that would achieve pay equity in state employment across gender, racial, ethnic, and underrepresented groups.

<u>Status</u>: On 01/25/2021, Read first time. To print. On 01/26/2021, From printer. May be heard in committee February 25.

AB-339 State and local government: open meetings.

<u>Summary</u>: Changes to open meeting act; state and local governments – electronic meeting changes.

<u>Status</u>: On 01/28/2021, Read first time. To print. On 01/29/2021, From printer. May be heard in committee February 28.

AB-378 State offices.

<u>Summary</u>: This bill would remove gendered language from the provisions governing these offices, and would also make other nonsubstantive changes to these provisions.

<u>Status</u>: On 02/01/2021, Read first time. To Print. On 02/02/2021, From printer. May be heard in committee March 4. On 02/12/2021, Referred to Com. on JUD.

AB-436 Wages: records: inspection and copying.

<u>Summary</u>: This bill would require, if an employee or their representative requests to inspect or copy records relating to the itemized statement and also requests to inspect

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 7 of 22

> or receive a copy of personnel records, that the deadline to comply with both requests be governed by the response deadline provisions for personnel records.

Status: Introduced on 02/04/2021.

AB-473 California Public Records Act.

<u>Summary</u>: This bill would recodify and reorganize the provisions of the act. The bill would include provisions to govern the effect of recodification and state that the bill is intended to be entirely nonsubstantive in effect. The bill would contain related legislative findings and declarations. The bill would become operative on January 1, 2023.

Status: On 02/08/2021, Read first time. To Print. On 02/18/2021, Referred to Com. on JUD.

AB-474 California Public Records Act: conforming revisions.

<u>Summary</u>: This bill would enact various conforming and technical changes related to another bill that recodifies and reorganizes the California Public Records Act. The bill would only become operative if the related bill recodifying the act is enacted and becomes operative on January 1, 2023. The bill would also specify that any other bill enacted by the Legislature during the 2021 calendar year that takes effect on or before January 1, 2022, and that affects a provision of this bill shall prevail over this act, except as specified.

Status: On 02/08/2021, Read first time. To Print. On 02/18/2021, Referred to Com. on JUD.

• AB-497 Wildfire prevention.

<u>Summary</u>: This bill would provide that it is the intent of the Legislature to enact legislation that would enact statutory changes relating to wildfire prevention.

<u>Status</u>: On 02/09/2021, Read first time. To print. On 02/10/2021, From printer. May be heard in committee on March 12.

• AB-513 Employment: telecommuting employees.

<u>Summary</u>: This bill would authorize an employee working from home to receive legally required notices and postings electronically and sign certain documents electronically. The bill would also require that a working from home employee's wages due at the time of separation of employment be deemed to have been paid on the date that the wages are mailed to the employee.

Status: On 02/09/2021, Read first time. To print. On 02/10/2021, From printer. May be heard in committee March 12. On 02/18/2021, Referred to Com. on L. & E.

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 8 of 22

AB-548 Employment Training Panel.

<u>Summary</u>: Existing law establishes the Employment Training Panel within the Employment Development Department and prescribes the functions and duties of the panel with respect to certain employment training programs. This bill would make a nonsubstantive change in that provision; from "he or she deems" to "the executive director deems."

<u>Status</u>: On 02/10/2021, Read first time. To print. 02/11/2021, From printer. May be heard in committee March 13.

AB-628 Breaking Barriers to Employment Initiative.

<u>Summary</u>: Among other things, this bill would instead provide that, instead of duplicating or replicating existing programs, the initiative should focus on innovative approaches to addressing racial, ethnic, and socioeconomic disparities in the labor market. The bill would require the board to convene an advisory group inclusive of community and advocacy organizations with a proven history of leadership on employment and worker equity issues to help identify potential grantees, explore model approaches, and provide input on the design of the grant solicitation.

<u>Status</u>: On 02/12/2021, Read first time. To Print. On 02/13/2021, From printer. May be heard in committee March 15.

• AB-630 Online Jobs and Economic Support Resource Grant Program.

Summary: This bill would establish the Online Jobs and Economic Support Resource Grant Program and would require GO-Biz to develop and implement a process for awarding competitive grants to eligible applicants. The bill would define an eligible applicant as an online platform that provides support for job and earnings opportunities, as well as additional resources serving in-need communities, that is for use by the public with no restrictions and that adheres to California privacy laws. Under the bill, an online platform would be an eligible applicant if it, among other things, serves marginalized communities and serves to uplift and provide resources to all communities and people in need of opportunities and reskilling. The bill would require GO-Biz, upon appropriation of funds by the Legislature, to issue grants to qualified online platforms based on a process for the awarding of competitive grants to eligible applicants that requires submission of a proposal narrative, proposed budget required to act as a resource to all economically impacted Californians, and a proposed impact assessment and timeline that includes progress reports and final deliverables.

Status: On 02/12/2021, Read first time. To print. 02/13/2021, From printer. May be heard in committee March 15.

AB-643 Apprenticeship programs: career fairs.

<u>Summary</u>: This bill would require a school district or school to notify each apprenticeship program in the same county as the school district or school of a career or college fair it is planning to hold, as specified.

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 9 of 22

<u>Status</u>: On 02/12/2021, Read first time. To print. 02/13/2021, From printer. May be heard in committee March 15.

• AB-833 State government: grants: administrative costs.

<u>Summary</u>: This bill would require any state grants to a local government to include a maximum allocation of funds that may be expended for administrative costs, as defined, and would prohibit a local government, as defined, from expending more than 5% of grant funds for administrative costs, except as provided. The bill would specify that it is not intended to affect federal funding.

<u>Status</u>: On 02/17/2021, Read first time. To print. On 02/18/2021, From printer. May be heard in committee March 20.

AB-884 State agencies: audits.

<u>Summary</u>: This bill would require all state agencies with an aggregate spending of \$50,000,000 or more annually to establish an ongoing audit function. This bill would extend the requirements of the Bagley-Keene Act to the internal audit committees established by any governing body if the governing body is subject to the Bagley-Keene Act. By expanding the scope of an existing crime, this bill would impose a statemandated local program.

Status: On 02/17/2021, Read first time. To print. On 02/18/2021, From printer. May be heard in committee March 20.

AB-885 Bagley-Keene Open Meeting Act: teleconferencing.

<u>Summary</u>: This bill would require a state body that elects to conduct a meeting or proceeding by teleconference to make the portion that is required to be open to the public both audibly and visually observable. The bill would extend the above requirements of meetings of multimember advisory bodies that are held by teleconference to meetings of all multimember state bodies. The bill would require a multimember state body to provide a means by which the public may both audibly and visually remotely observe a meeting if a member of that body participates remotely. The bill would further require any body that is to adjourn and reconvene a meeting on the same day to communicate how a member of the public may both audibly and visually observe the meeting. The bill would also make nonsubstantive changes to those provisions.

<u>Status</u>: On 02/17/2021, Read first time. To print. On 02/18/2021, From printer. May be heard in committee March 20.

AB-915 Small and disadvantaged business enterprises.

<u>Summary</u>: Among other things, This bill would require each state agency's small business liaison to develop an "economic equity first" action plan and policy for the agency to provide, among other things, direction, recommendations, and strategies as to how to ensure that disadvantaged business enterprises are effectively involved and

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 10 of 22

benefiting from the procurement process of the agency. The bill would require the action plan and policy to be submitted to the agency secretary, department director, or executive officer by January 1, 2023, and would require adoption of that plan by January 1, 2024.

Status: On 02/17/2021, Read first time. To print. On 02/18/2021, From Printer. May be heard in committee March 20.

• AB-1122 Workforce diversity.

Summary:

Existing law, the California Fair Employment and Housing Act, protects and safeguards the right and opportunity of all persons to seek, obtain, and hold employment without discrimination or abridgment on account of race, religious creed, color, national origin, ancestry, physical disability, mental disability, mental condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. This bill would state the intent of the Legislature to enact legislation that would encourage employers to develop and implement personnel policies that incorporate workforce diversity.

Status: On 02/18/2021, Read first time. To print. On 02/19/2021, From printer. May be heard in committee March 21.

AB-1028 Telework Flexibility Act.

Summary: Among other things, This bill would permit an individual nonexempt employee to request an employee-selected remote work flexible work schedule providing for workdays up to 10 hours per day within a 40-hour workweek and would allow an employer to implement this schedule without the obligation to pay overtime compensation for those additional hours in a workday, except as specified. The authorization would apply only if an employee is working remotely and not under the physical control of the employer. The bill would require that the flexible work schedule contain specified information and the employer's and the employee's original signatures. The bill would except split shift premiums from application to the work of employees who are working an employee-selected remote work flexible work schedule. The bill would require the Division of Labor Standards Enforcement in the Department of Industrial Relations to enforce this provision and adopt regulations.

Status: On 02/18/2021, Read first time. To print. On 02/19/2021, From printer. May be heard in committee March 21.

• AB-1072 Small businesses.

<u>Summary</u>: Existing law establishes the Office of Small Business Advocate within the Governor's Office of Business and Economic Development for the purpose of advocating for the causes of small business and to provide small businesses with the information they need to survive in the marketplace. This bill would state the intent of the Legislature to enact legislation that would assist small businesses.

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 11 of 22

Status: On 02/18/2021, Read first time. To print. On 02/19/2021, From Printer. May be heard in committee March 21.

AB-1106 Employment Training Panel: pilot program: employment training needs. Summary: This bill, upon appropriation by the Legislature, would require the Employment Training Panel to establish a pilot program to serve the employment training needs of small businesses. The bill would require the program to leverage the capacity of the existing statewide network of community college contract education centers operating with multiple employer contracts. The bill would require the Employment Training Panel to develop the pilot project to achieve specified purposes, including strengthening the linkages between higher education institutions and employers. The bill would require the Employment Training Panel, in developing the program, to work with key workforce and economic development partners, including the California Community Colleges, the Governor's Office of Business and Economic Development, the Labor and Workforce Development Agency, and the California Workforce Development Board. The bill would also authorize the Employment Training Panel to establish an advisory board consisting of certain stakeholders. The bill would require the Employment Training Panel to submit 2 reports to the appropriate legislative committees on the implementation of the program and program activities, as specified. The bill would repeal these provisions on January 1, 2026.

<u>Status</u>: On 02/18/2021, Read first time. To print. On 02/19/2021, From printer. May be heard in committee March 21.

• AB-1192 High-Road Employer Certification Program.

<u>Summary</u>: Existing law establishes in the Labor and Workforce Development Agency the Employment Development Department, which is charged with various functions, including job creation activities, computation of benefits, and determination of contribution rates and collection of contributions for benefits. This bill would state the intent of the Legislature to enact legislation that creates a High-Road Employer Certification Program to be overseen and administered by the Labor and Workforce Development Agency, and that, as part of the oversight of this program, an advisory board be established, as specified.

<u>Status</u>: On 02/18/2021, Read first time. To print. On 02/19/2021, From printer, May be heard in committee March 21.

• AB-1460 State employment: COVID-19 telework: costs.

<u>Summary</u>: Existing law authorizes the Department of Human Resources (CalHR) to expend, in accordance with law, moneys made available for its use or for the administration of any statute administered by it. Existing law vests in CalHR the administration of salaries generally and provides for the payment of miscellaneous compensation under specified circumstances. Existing law requires CalHR to provide the extent to which, and establish the method by which, ordered overtime or overtime in

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 12 of 22

times of critical emergency is compensated, as specified. This bill would authorize CalHR to provide a one-time payment of an unspecified amount to employees who have been required to telework as a result of the COVID-19 pandemic in order to offset costs associated with working remotely.

Status: On 02/19/2021, Introduced. To print.

II. <u>SENATE BILLS</u>

• SB-46 Employment: contact tracing and safety policies: COVID-19.

<u>Summary</u>: Existing law requires an employer to furnish employment and a place of employment that is safe and healthful for its employees. This bill would state the intent of the Legislature to enact legislation that would require an employer to develop and implement contact tracing and safety policies for its employees, including requiring notice to the employer when an employee receives a positive COVID-19 test.

<u>Status</u>: Introduced; Senate; on 12/07/2020. Read first time. To Print. May be acted upon on or before 01/07/2021.

SB-74 Keep California Working Act.

<u>Summary</u>: Existing law establishes the Office of Small Business Advocate within the Governor's Office of Business and Economic Development for the purpose of advocating for the causes of small business and to provide small businesses with the information they need to survive in the marketplace. This bill, the Keep California Working Act, would establish the Keep California Working Grant Program. The act would require the Small Business Advocate to administer the program and award grants, of an unspecified amount, to small businesses and nonprofit organizations that have experienced economic hardship resulting from the COVID-19 pandemic. The act would appropriate \$2.6 billion dollars to the Office of Small Business Advocate for those purposes. This bill would declare that it is to take effect immediately as an urgency statute.

<u>Status</u>: Introduced; Senate; on 12/07/2020. Read first time. To Print. May be acted upon on or before 01/07/2021. On 02/02/2021, From committee with author's amendments. Read second time and amended. Re-referred to Com. on B., P. and E.D.

• SB-209 State of emergency: termination after 7 days: extension by the Legislature.

Summary: This bill would require a state of emergency to terminate 7 days after the Governor's proclamation of the state of emergency unless the Legislature extends it by a concurrent resolution.

<u>Status</u>: Introduced; Senate; on 01/12/2021. Read first time. To Print. May be acted upon on or after 02/12/2021.

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 13 of 22

SB-270 Public employment: labor relations: employee information.

Summary: Existing law requires these public employers to provide certain labor representatives with the names and home addresses of newly hired employees, as well as their job titles, departments, work locations, telephone numbers, and personal email addresses, within 30 days of hire or by the first pay period of the month following hire. Existing law also requires the public employers to provide this information for all employees in a bargaining unit at least every 120 days, except as specified. Existing law requires the Public Employment Relations Board to have jurisdiction over violations of these requirements and to have certain powers and duties related to enforcement of these requirements, except as specified. This bill, commencing July 1, 2022, would authorize an exclusive representative to file a charge of an unfair labor practice with the board, as specified, alleging a violation of the above-described requirements only if specified conditions are met, including that the exclusive representative gives written notice of the alleged violation and that the public employer fails to cure the violation, as specified. The bill would limit a public employer's opportunity to cure certain violations.

<u>Status</u>: On 01/28/2021, Introduced. Read first time. To Com. on RLS. for assignment. To print. On 01/29/2021, From printer. May be acted upon on or after February 28. On 02/10/2021, Referred to Coms. on L., P.E. and R. and JUD.

SB-657 Employment: electronic documents.

<u>Summary</u>: The bill would also authorize an employee working from home to receive legally required notices and postings electronically and sign or acknowledge certain documents electronically.

Status: On 02/19/2021, Introduced. To Com. on RLS. For assignment. To print.

SB-690 The California aerospace industry.

Summary: Existing law establishes the Governor's Office of Business and Economic Development (GO-Biz), which is administered by a director appointed by the Governor. The office serves the Governor as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. This bill would, in addition to making certain findings and declarations, state the intent of the Legislature to enact legislation that would establish the California Aerospace Commission to develop an official space plan and oversee a special district created within the GO-Biz that would foster the growth and development of a sustainable and world-leading aerospace industry in the state, and promote aerospace business development by facilitating business financing, spaceport operations, research and development, workforce development, and innovative education programs.

Status: On 02/19/2021, Introduced. To Com. on RLS. For assignment. To print.

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 14 of 22

III. BUDGET BILLS

• AB-79 Budget Act of 2021.

<u>Summary</u>: This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2021.

<u>Status</u>: Introduced; Assembly; on 12/07/2020. Read first time. To Print. May be heard in committee on 01/07/2021. On 01/15/2021, Read third time. Passed. Ordered to the Senate. On 01/22/2021, has been set for hearing on 01/26/2021 at 1:30 p.m. On 01/25/2021, From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on B. and F.R. On 01/26/2021, From committee: Do Pass (Ayes 16 Noes O) – Across the Desk. On 02/02/2021, Re-referred to Com. on B. and F.R.

• AB-80 COVID-19 relief: tenancy: federal rental assistance.

<u>Summary</u>: This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2021.

Status: Introduced; Assembly; on 12/07/2020. Read first time. To Print. May be heard in committee on 01/07/2021. On 01/15/2021, Read third time. Passed. Ordered to the Senate. On 01/22/2021, has been set for hearing on 01/26/2021 at 1:30 p.m. On 01/25/2021, From committee chair, with author's amendments (From a Budget Bill to COVID-19 Relief; tenancy; federal rental assistance): Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on B. and F.R. On 01/26/2021, From committee: Do Pass (Ayes 16 Noes O) – Across the Desk. On 02/02/2021, Re-referred to Com. on B. and F.R. On 02/18/2021, From committee: Do pass. Across the Desk. On 02/17/2021, From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on B. and F.R.

• SB-87 California Small Business COVID-19 Relief Grant Program: income tax: gross income: exclusion: small business grants..

Summary: Among other things, this bill would establish the California Small Business COVID-19 Relief Grant Program within CalOSBA to assist qualified small businesses affected by COVID-19 through administration of grants. The bill would require CalOSBA to provide grants to qualified small businesses, as defined, in accordance with specified criteria, including geographic distribution based on COVID-19 restrictions, industry sectors most impacted by the pandemic, and underserved small businesses. The bill would repeal these provisions on January 1, 2024. This bill would appropriate \$2,075,000,000 from the General Fund to the Golden State Stimulus Emergency Fund to be transferred to the Office of Small Business Advocate for purposes of the program, and would allocate \$50,000,000 of those funds for eligible nonprofit cultural institutions, as defined.

Status: Introduced; Senate; on 12/16/2020. Read first time. To Print. May be acted upon on or after 01/16/2021. On 01/21/2021, Read third time. Passed (Ayes 22 Noes 2).

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 15 of 22

Ordered to the Assembly. On 02/17/2021, From committee with author's amendments. Read second time and amended. Re-referred to Com. on BUDGET.

• SB-88 One-Time Stimulus Payment – the Golden State Stimulus Payment.

<u>Summary</u>: Among other things, this bill would authorize the Controller to make a one-time Golden State Stimulus payment to each qualified recipient, as defined, of an applicable amount, as specified, in a form and manner determined by the Franchise Tax Board, in order to provide relief to low-income Californians impacted by the COVID-19 emergency. This bill would create the Golden State Stimulus Emergency Fund, a new fund in the State Treasury, for the purposes of making these one-time payments, and would continuously appropriate that fund. This bill would also authorize one-time grant payments to qualified grant recipients, as defined, of \$600, to be administered by the State Department of Social Services, in order to provide relief to low-income Californians impacted by the COVID-19 emergency.

<u>Status</u>: Introduced; Senate; on 12/16/2020. Read first time. To Print. May be acted upon on or after 01/16/2021. On 01/21/2021, Read third time. Passed (Ayes 22 Noes 2). Ordered to the Assembly. On 02/18/2021, From committee with author's amendments. Read second time and amended. Re-Referred to Com on Budget. On 02/18/2021, From committee: Do pass. Across the Desk.

SB-89 Budget Act of 2020.

<u>Summary</u>: This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2021.

Status: Introduced; Senate; on 12/16/2020. Read first time. To Print. May be acted upon on or after 01/16/2021. On 01/21/2021, Read third time. Passed (Ayes 22 Noes 2). Ordered to the Assembly. On 01/25/2021, From committee with author's amendments (from 2021 to 2020). Read second time and amended. Re-referred to Com. on BUDGET. On 01/28/2021, Read third time. Passed (Ayes 69, Noes 0). Ordered to Senate. One 01/28/2021, Assembly amendments concurred in. (Ayes 37. Noes 0.) Ordered to engrossing and enrolling. 01/28/2021, Enrolled and presented to the Governor at 1:30 p.m. 01/28/2021, Approved by the Governor. 01/28/2021, Chaptered by Secretary of State. Chapter 1, Statutes of 2021.

• SB-91 COVID-19 relief: tenancy: federal rental assistance.

<u>Summary</u>: This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2021.

Status: Introduced; Senate; on 12/16/2020. Read first time. To Print. May be acted upon on or after 01/16/2021. On 01/21/2021, Read third time. Passed (Ayes 22 Noes 2). Ordered to the Assembly. On 01/25/2021, From committee with author's amendments (from Budget Bill to COVID-19 relief). Read second time and amended. Re-referred to Com. on BUDGET. On 01/28/2021, Read third time. Passed (Ayes 71, Noes 1). 01/28/2021, Assembly amendments concurred in. (Ayes 34. Noes 0.) Ordered to

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 16 of 22

engrossing and enrolling. Ordered to Senate. One 01/28/2021, Assembly amendments concurred in. (Ayes 37. Noes 0.) Ordered to engrossing and enrolling. 01/28/2021, Enrolled and presented to the Governor at 1:30 p.m. 01/28/2021, Approved by the Governor. 01/28/2021, Chaptered by Secretary of State. Chapter 2, Statutes of 2021.

IV. CANNABIS RELATED BILLS/INITIATIVES/PROPOSITIONS

AB-109 Medicinal and Adult-Use Cannabis Regulation and Safety Act.
 Summary: Establishment of the Cannabis Control Appeals Panel consisting of 5 members as specified in the Medical and Adult-Use Cannabis Regulation and Safety Act.

<u>Status</u>: Introduced; Assembly; on 12/16/2020. Read first time. To Print. May be heard in committee on 01/16/2021.

AB-273 Cannabis: advertisements: highways.

<u>Summary</u>: MAUCRSA prohibits a licensee from advertising or marketing on a billboard or similar advertising device located on an interstate highway or on a state highway that crosses the California border. This bill instead would prohibit a licensee from advertising or marketing on a billboard or similar advertising device visible from an interstate highway or on a state highway within California.

Status: On 01/19/2021, Read first time. To Print. On 01/28/2021, Referred to Committee on B. & P.

AB-287 Civil actions: statute of limitations.

<u>Summary</u>: MAUCRSA imposes a civil penalty on a person engaging in commercial cannabis activity without a license required by MAUCRSA of up to 3 times the amount of the license fee for each violation. MAUCRSA does not supersede or limit state agencies from exercising their existing enforcement authority. MAUCRSA authorizes a local jurisdiction to enforce its provisions and the regulations promulgated by a licensing authority if delegated the power to do so by the licensing authority, as specified. Existing law generally requires an action upon a statute for a penalty or forfeiture to commence within one year. This bill would require the agency bringing the civil action for penalties to do so within three years of discovery of the facts constituting the grounds for commencing the action.

Status: On 01/21/2021, Read first time. To Print. On 01/28/2021, Referred to Committee on JUD, and B. & P.

AB-290 Cannabis testing.

<u>Summary</u>: Existing law, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), which includes the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA), enacted by the voters at the November 8, 2016, statewide general election, provides for the licensure and regulation of commercial cannabis activity. MAUCRSA

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 17 of 22

prohibits cannabis and cannabis products from being sold unless a representative sample has been tested by a licensed testing laboratory in the final form in which the cannabis or cannabis product will be consumed or used. This bill would specify that for this purpose "final form" means the unpackaged product as it will be consumed and would specify that the cannabis or cannabis product does not have to be delivered to the licensed testing laboratory in the final retail packaging to be considered in its final form.

Status: On 01/21/2021, Read first time. To Print. On 01/28/2021, Referred to Committee on B. & P.

AB-384 Cannabis and cannabis products: animals: veterinary medicine.

Summary: This bill would additionally prohibit the board from disciplining a veterinarian licensed under the act who recommends the use of cannabis on an animal for medicinal purposes, unless the veterinarian is employed by or has an agreement with a cannabis licensee, as specified. The bill would require the board to adopt guidelines, on or before January 1, 2023, for veterinarians to follow when recommending cannabis within the veterinarian-client-patient relationship, and would require the board to post the guidelines on its internet website. This bill would revise the definitions of "cannabis products," "cannabis concentrate," and "edible cannabis product" under MAUCRSA to include products intended to be used for animal consumption. The bill would define "animal" for these purposes to mean any member of the animal kingdom other than humans, including fowl, fish, and reptiles, wild or domestic, whether living or dead, but would exclude livestock and food animals, as specified.

Status: 02/02/2021, Read first time. To Print. On 02/12/2021, Referred to Com. on B. and P.

AB-527 Controlled substances: cannabinoids.

<u>Summary</u>: This bill would expand the provisions authorizing the prescription, furnishing, dispensing, transfer, transportation, possession, or use of cannabinoid products in accordance with federal law, upon the specified changes being made to federal law, to include all products with cannabinoids.

Status: On 02/10/2021, Read first time. To print. On 02/11/2021, From printer. May be heard in committee March 13. One 02/18/2021, Referred to Com. on B. & P.

AB-1014 Cannabis: retailers: delivery: vehicles.

<u>Summary</u>: This bill would require, on or before January 1, 2023, the regulations established by the bureau regarding the minimum security and transportation safety requirements to include regulations that would allow for different value tiers of cannabis goods to be carried during delivery of those cannabis goods to customers by employees of a licensed retailer based on the type of vehicle used for the delivery. The bill would require, on or before January 1, 2023, the bureau, in coordination with the Department of the California Highway Patrol, to develop transportation safety standards for all the different value tiers of cannabis goods carried during delivery to customers by employees

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 18 of 22

of a licensed retailer based on the type of vehicle used for the delivery, as specified, and to develop a standardized inspection and certification process for each delivery vehicle based on the transportation safety standards developed pursuant to the bill, including the form of the certifications, to be implemented on and after January 1, 2024.

<u>Status</u>: On 02/18/2021, Read first time. To print. One 02/19/2021, From printer. May be heard in committee March 21.

AB-1034 Commercial cannabis licenses: free cannabis.

<u>Summary</u>: MAUCRSA authorizes a licensee that is authorized to make retail sales to provide free cannabis or cannabis products to a medicinal cannabis patient or the patient's primary caregiver, as specified. MAUCRSA also authorizes a licensee that is authorized to make retail sales to donate cannabis or cannabis products and the use of equipment in compliance with any compassionate use, equity, or other similar program administered by a local jurisdiction, as specified. This bill would exclude a microbusiness licensee from these authorizations.

Status: On 02/18/2021, Read first time. To print. On 02/19/2021, May be heard in committee March 21.

• AB-1138 Unlawful cannabis activity: enforcement.

<u>Summary</u>: MAUCRSA imposes a civil penalty on a person engaging in commercial cannabis activity without a license as required by the act, of up to 3 times the amount of the license fee for each violation. This bill would impose a civil penalty on persons aiding and abetting unlicensed commercial cannabis activity of up to \$30,000 for each violation. The bill would prohibit filing an action for civil penalties brought against a person pursuant to MAUCRSA 3 years after the first date of discovery of the violation by a licensing authority or a participating agency, whichever is earlier or earliest.

<u>Status</u>: On 02/18/2021, Read first time. To print. On 02/19/2021, From printer. May be heard in committee March 21.

• AB-1256 Employment discrimination: cannabis screening test.

<u>Summary</u>: This bill would prohibit an employer from discriminating against a person in hiring, termination, or any term or condition of employment because a drug screening test has found the person to have tetrahydrocannabinol in their urine. The bill would exempt from its provisions an employer that is required to conduct testing for tetrahydrocannabinol by federal law or regulations, or that would lose a monetary or licensing-related benefit for failing to conduct testing for tetrahydrocannabinol. The bill would also exempt employment in the building and construction trades. This bill would authorize a person who has suffered discrimination in violation of the bill's provisions to institute and prosecute in their own name and on their own behalf a civil action for specified relief.

Status: On 02/19/2021, Introduced. To print.

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 19 of 22

AB-1514 Cannabis transportation and delivery.

<u>Summary</u>: This bill would state the intent of the Legislature to enact legislation that would relate to the transportation and delivery of cannabis and cannabis products in this state.

Status: On 02/19/2021, Introduced. To print.

• SB-59 Cannabis licenses.

Summary: This bill would extend the repeal date of certain provisional license provisions to July 1, 2028. By extending provisional licensure, the applications for which are required to be signed under penalty of perjury, the bill would expand the scope of the crime of perjury, and would thereby impose a state-mandated local program. MAUCRSA, until July 1, 2021, provides that CEQA does not apply to the adoption of an ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity. This bill would reinstate that exemption, to become inoperative on July 1, 2028. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason. This bill would declare that its provisions further the purposes and intent of AUMA.

<u>Status</u>: Introduced; Senate; on 12/07/2020. Read first time. To Print. May be acted upon on or before 01/07/2021. On 01/28/2021, Referred to Committee on B., P. and E.D and EQ.

SB-235 Industrial hemp products.

Summary: This bill would require a manufacturer of dietary supplements and food that includes industrial hemp to be able to demonstrate that all parts of the plant used come from a state or country that has an established and approved industrial hemp program, as defined, that inspects or regulates hemp under a food safety program or equivalent criteria to ensure safety for human or animal consumption and that the industrial hemp cultivator or grower is in good standing and compliance with the governing laws of the state or country of origin. This bill would state that a dietary supplement, food, beverage, cosmetic, or pet food is not adulterated by the inclusion of industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp if those substances meet specified requirements, and would prohibit restrictions on the sale of dietary supplements. food, beverages, cosmetics, or pet food that include industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp based solely on the inclusion of those substances. The bill would also prohibit a manufacturer, distributor, or seller of an industrial hemp product from including on the label, or publishing or disseminating in advertising or marketing, a health-related statement, as defined, that is untrue in any particular manner or that tends to create a misleading impression as to the effects on health of consuming products containing industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp. By creating a new crime, this bill would impose a statemandated local program. This bill would create an authorization process for hemp

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 20 of 22

manufacturers who produce specified products that include industrial hemp or who produce raw hemp extract, as defined, including requirements for testing and labeling on products. The bill would authorize the department to collect specified fees, which would be used, upon appropriation, to implement the program. By creating a new crime, this bill would impose a state-mandated local program. The bill would also impose a \$250 fee on each manufacturer who produces industrial hemp products or raw hemp extract, to be used, upon appropriation, to fund an Industrial Hemp Research Program at the University of California. The bill would require the Department of Food and Agriculture and the State Department of Public Health, in consultation with the Bureau of Cannabis Control, if necessary, to develop a process to share license, registration, cultivar, and enforcement information to facilitate compliance and enforcement against unlicensed industrial hemp product and raw extract manufacturers and retailers. The bill would make communications shared between these agencies and local law enforcement for this purpose exempt from the California Public Records Act.

Status: On 01/19/2021, Introduced. Read first time. To Com. on RLS. for assignment. To print. On 01/20/2021, From printer. May be acted upon on or after February 19. On 01/28/2021, Referred to Coms. on HEALTH, AGRI, and JUD. On 01/28/2021, Referral to Com. on JUD. rescinded because of the limitations placed on committee hearings due to ongoing health and safety risks of the COVID-19 virus. On 02/16/2021, has been set for hearing on 03/10/2021.

• SB-292 Industrial hemp.

<u>Summary</u>: This bill would instead require the sampling to occur within a timeframe determined by the department. The bill would require a registrant to destroy or dispose of the industrial hemp grown upon receipt of a laboratory test result described above. The bill would require that laboratory test reports of hemp include the measurement of uncertainty, as defined, associated with the test results. The bill would also require laboratories to use appropriate, validated methods and procedures for all testing activities, including when estimating the measurement of uncertainty. By adding new requirements for hemp testing, the violation of which could be a crime, this bill would impose a state-mandated local program.

<u>Status</u>: 02/01/2021, Introduced. Read first time. To Com. on RLS. for assignment. To print. On 02/02/2021, From printer. May be acted upon on or after March 4. On 02/10/2021, Referred to Coms. on AGRI and PUB S.

• SB-311 Compassionate Access to Medical Cannabis Act or Ryan's Law.

<u>Summary</u>: This bill, the Compassionate Access to Medical Cannabis Act or Ryan's Law, would prohibit specified types of health care facilities from prohibiting or interfering with a terminally ill patient's use of medicinal cannabis within the health care facility, subject to certain restrictions.

Status: Introduced on 02/04/2021.

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 21 of 22

SB-398 Cannabis: model local ordinance.

<u>Summary</u>: This bill would proclaim that a local jurisdiction may rely entirely on the state's comprehensive licensing system to authorize commercial cannabis activity in their jurisdictions and are not required to adopt a local ordinance regulating or licensing commercial cannabis, or create a local licensing system.

<u>Status</u>: On 02/11/2021, Introduced. Read first time. To Com. on RLS. For assignment. To print. On 02/12/2021, From printer. May be acted upon or after March 14.

• SB-544 Cannabis testing.

<u>Summary</u>: This bill would implement the above provisions of AUMA by requiring the bureau, on or before January 1, 2023, to establish specific testing standards for the compounds and contaminants that are required to be reported on the certificate of analysis.

<u>Status</u>: On 20/18/2021, Introduced. Read first time. To Com. on RLS for assignment. To print. On 02/19/2021, From printer. May be acted upon on or after March 21.

- <u>19-0011: ACTIVE INITIATIVE EXPANDS LEGALIZATION OF CANNABIS AND HEMP. INITIATIVE STATUTE.</u>
- <u>19-0010: ACTIVE INITIATIVE EXPANDS LEGALIZATION OF CANNABIS AND HEMP. INITIATIVE STATUTE.</u>
- <u>19-0016: ACTIVE INITIATIVE DECRIMINALIZES PSILOCYBIN MUSHROOMS.</u> <u>INITIATIVE STATUTE.</u>

V. <u>INITIATIVES/PROPOSITIONS</u>

- <u>20-0004: ACTIVE INITIATIVE LIMITS STATE AND LOCAL OFFICIALS' AUTHORITY</u> TO RESPOND TO PUBLIC HEALTH EMERGENCIES. INITIATIVE STATUTE.
- 20-0001A1: ACTIVE INITIATIVE REQUIRES VOTE ON WHETHER CALIFORNIA SHOULD BECOME A SEPARATE COUNTRY. INITIATIVE STATUTE.
- 19-0028A1: ACTIVE INITIATIVE REQUIRES STATE REGULATIONS TO REDUCE PLASTIC WASTE, TAX PRODUCERS OF SINGLE-USE PLASTICS, AND FUND RECYCLING AND ENVIRONMENTAL PROGRAMS. INITIATIVE STATUTE.
- 19-0012: ACTIVE INITIATIVE REPLACES STATE SENATE AND ASSEMBLY WITH SINGLE-HOUSE LEGISLATURE; INCREASES NUMBER OF LEGISLATORS. INITIATIVE CONSTITUTIONAL AMENDMENT.

Pertinent Legislation; California Legislature 2021-2022 Regular Session February 22, 2021 Page 22 of 22

• 19-0005: ACTIVE INITIATIVE – AUTHORIZES BONDS TO FUND PROJECTS FOR WILDFIRE PREVENTION, SAFE DRINKING WATER, AND PROTECTING WILDLIFE AND LANDS FROM CLIMATE RISKS. INITIATIVE STATUTE.